

January 2, 2018

By ECF

Hon. Lorna G. Schofield
United States District Court
Southern District of New York
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Re: SEC v. Craig H. Carton, et al., 1:2017-cv-06764-LGS
Joint Status Letter

Dear Honorable Judge Schofield:

The parties submit this joint status letter pursuant to the Court's order of October 3, 2017 (Dkt. 45).

Plaintiff Securities and Exchange Commission (the "Commission") filed this civil enforcement action on September 6, 2017. The same day, Defendant Craig H. Carton ("Carton") was arrested and charged by criminal complaint in a parallel matter in the Southern District of New York, *United States v. Craig Carton, et al.*, 1:2017-mj-06692. On September 29, 2017, Defendants Carton and five of the six entity defendants in this matter, AdvanceM Ltd., Misoluki, Inc., Misoluki, LLC, Ticket Jones, LLC, and Tier One Tickets, LLC (collectively, the "Carton Entities") filed a letter with this Court requesting a pre-motion conference in connection with their proposed motion to stay this matter pending the resolution of the parallel criminal case against Carton. The Commission did not oppose this stay request, as long as the Commission could issue subpoenas pursuant to Rule 45 of the Federal Rules of Civil Procedure ("Rule 45") during any stay. Defendants Joseph G. Meli and Advance Entertainment, LLC did not take a position on the stay request. On October 3, 2017, the Court ordered this action stayed, except allowing the Commission to issue subpoenas pursuant to Rule 45. The Court also ordered the parties to inform the Court when the criminal case is resolved and to file a joint status letter by November 15, 2017, and every 45 days thereafter, updating the Court on the status of the criminal proceedings.

The criminal case against Carton remains pending. On November 2, 2017, a grand jury returned an indictment against Carton and a co-defendant who is not named as a defendant in this civil action, *United States v. Craig Carton, et al.*, 1:2017-cr-00680-CM. On November 8, 2017, Carton was arraigned and entered a plea of not guilty in the criminal case. A conference was held in the criminal case on November 30, 2017, at which the Court set a schedule for pretrial

motions. The next conference is scheduled for March 8, 2018. Defense pretrial motions are scheduled to be filed by April 20, 2018, and any pretrial motions are scheduled to be decided at a status conference on June 28, 2018. A trial date has not yet been set.

Respectfully submitted,

SECURITIES AND EXCHANGE
COMMISSION

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To: All Counsel (via ECF)